



August 7, 2009

The Honorable Barack Obama
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President,

On behalf of Governors from key pork production states, we are writing to express our urgent concern about the current economic status of the U.S. pork industry and the impact on rural America. As leaders of our states we understand that the U.S. pork industry provides about 550,200 jobs in various aspects of the industry ranging from producers to input suppliers, to processors and handlers as well as rural mainstreet businesses that benefit from purchases by people in those industries. Overall an estimated \$20.7 billion of personal income and \$34.5 billion of gross national product are supported by the pork industry, based on 2007 levels of production.

Few industries have benefited more from trade than the U.S. pork industry. In 2008, the United States exported approximately 20 percent of domestic pork production valued at \$4.9 billion. Pork exports added approximately \$48 to the value of every U.S. hog marketed. These exports alone supported more than 65,000 jobs in our country.

Today, the pork industry is facing an economic crisis that is catastrophic in nature. In 2008, producers suffered their second worst financial year ever. Even though pork products are very safe, the negative impact of the A/ H1N1 Influenza outbreak has crippled a previously injured industry. Since April 24th, the date that A/H1N1 Influenza was made public, the loss of potential profit for pork producers has totaled \$330 million. If we project these losses to October of 2009 the losses for producers will exceed \$1 billion.

In order for the pork industry to remain as vibrant entities in rural communities, we need your prompt actions to assure that our communities and the U.S. pork industry remain competitive world wide. We ask you to take these actions:

- 1) We ask that you support at least an additional \$50 million of pork purchases for government feeding programs. At this time the price of pork is very reasonable, which will allow for the government to purchase the maximum amount of pork products for those in need.
- 2) We urge immediate action be taken to remove the spending cap on the Section 32 Program so that additional purchases of surplus agriculture products can be

undertaken by USDA using funds already appropriated for this purpose. This program operates through the Federal purchase of food products that would otherwise overburden the market. For nearly three-quarters of a century we have had food assistance programs in place that have successfully assisted agricultural producers in times of market distress while also benefiting the less fortunate in our society.

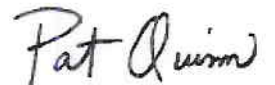
- 3) Unfortunately, U.S. pork exports to China, the largest potential market for U.S. exports are banned by China through an unwarranted ban based on A/H1N1 Influenza. It is critically important to the health of the U.S. pork industry that China quickly lift the H1N1 ban and eliminate other barriers to U.S. pork exports.

We applaud the successful efforts of your Administration to communicate with the U.S. citizenry and reduce the unwarranted barriers on U.S. pork exports as result of the A/H1N1 outbreak. Yourself, U.S. Secretary of Agriculture Tom Vilsack, U.S. Trade Representative Ron Kirk and U.S. Secretary of Homeland Security Janet Napolitano have all served our country in a very honorable fashion.

The Governors are committed to a strong rural economy. We need you to take action to assure that the pork industry remains an important part of the fabric of our communities.


Sincerely,



Governor Bill Ritter, Jr.
Colorado


Governor Pat Quinn
Illinois



Governor Chet Culver
Iowa

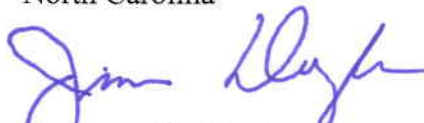

Governor Steven Beshear
Kentucky


Governor Jennifer M. Granholm
Michigan


Governor Dave Heineman
Nebraska


Governor Bev Perdue
North Carolina


Governor Brad Henry
Oklahoma


Governor Jim Doyle
Wisconsin

cc: The Honorable Thomas Vilsack, U.S. Secretary of Agriculture
The Honorable Ron Kirk, U.S. Trade Representative